

EXHIBIT A

OCP Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*¹

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Jointly Administered)

Objection Deadline:
January 13, 2025 at 4:00 p.m. (ET)

DISCLOSURE DECLARATION OF ORDINARY COURSE PROFESSIONAL

1. I, James L. Rockney, hereby declare that the following is true to the best of my knowledge, information and belief:

2. I am a Partner of Reed Smith LLP (the “Firm”) which maintains offices at 225 Fifth Avenue, Pittsburgh, PA 15222.

3. This Declaration is submitted in connection with the order (the “OCP Order”) of the United States Bankruptcy Court for the District of Delaware dated December 6,

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing, LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising , LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

2024, authorizing the above-captioned debtors and debtors in possession (collectively, the “Debtors”) to retain certain professionals in the ordinary course of business during the pendency of the Debtors’ chapter 11 cases (the “Chapter 11 Cases”).

4. The Firm is a legal services firm.

5. The Firm has represented and advised the Debtors Pet Supplies “Plus”, LLC (Case No. 24-12519) and PSP Group, LLC (Case No. 24-12482) (together, the “PSP Debtors”) as corporate counsel with respect to certain privacy counseling and litigation matters, starting in approximately 2018.

6. As of the Petition Date, the Firm did not hold a retainer from the Debtors.

7. The PSP Debtors have requested, and the Firm has agreed, to continue to provide services to the PSP Debtors pursuant to section 327 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) with respect to such matters. Additionally, the PSP Debtors have requested, and the Firm proposes to render, the following services to the PSP Debtors: providing legal representation to the PSP Debtors with respect to privacy counseling and litigation matters.

8. The Firm’s current customary hourly rates, subject to change from time to time, are between \$720/hr and \$1,075/hr. In the normal course of business, the Firm revises its regular hourly rates and advises that, effective January 1st of each year, the aforementioned rates will be revised to the regular hourly rates that will be in effect at that time.

9. The Firm does keep in the ordinary course of business time records in one-tenth-of-an-hour increments.

10. To the best of my knowledge, formed after due inquiry, neither I nor any professional employed by the Firm is a relative of the United States Bankruptcy Judge assigned to

these Chapter 11 Cases, and the Firm does not have any connection with the United States Bankruptcy Judge, the Office of the United States Trustee, or any person employed by the Office of the United States Trustee that would render the Firm's retention in these Chapter 11 Cases improper.

11. To the best of my knowledge, formed after due inquiry, neither I, the Firm, nor any professional thereof has any connection with, or currently represents, any of the PSP Debtors' creditors or other parties in interest with respect to the matters upon which it is to be engaged.

12. In addition, although unascertainable at this time after due inquiry, by virtue of the magnitude of the Debtors' potential universe of creditors and the Firm's clients, the Firm may have in the past represented, currently represent, and may in the future represent entities and individuals that are creditors of the Debtors in matters entirely unrelated to the Debtors and their estates. The Firm does not and will not represent any such entity in connection with the PSP Debtors' pending Chapter 11 Cases and does not have any relationship with any creditor that would be adverse to the PSP Debtors or their estates. I believe that the Firm's representation of such entities in matters entirely unrelated to the PSP Debtors is not adverse to the PSP Debtors' interests, or the interests of their creditors or estates in respect of the matters for which the Firm will be engaged, nor will such representation impair the Firm's ability to represent the PSP Debtors in these Chapter 11 Cases.

13. In connection with the Debtors' pending Chapter 11 Cases, the Firm presently represents (i) STORE Master Funding IV, LLC, as lessor for and the holder of a guarantee from, Buddy's Newco, LLC, (ii) Edgewood Properties, as lessor for The Vitamin Shoppe, and (iii) Ollie's Bargain Outlet, as a potential purchaser of assets from the American

Freight debtors (collectively, the “Other Clients”). I believe that the Firm’s representation of the Other Clients in matters unrelated to the PSP Debtors is not adverse to the PSP Debtors’ interests, or the interests of their creditors or estates in respect of the matters for which the Firm will be engaged, nor will such representation impair the Firm’s ability to represent the PSP Debtors in these Chapter 11 Cases.

14. The Firm’s process of ascertaining whether it holds or represents an interest adverse to the Debtors, their estates, or any class of creditors or equity interest holders consists of the following: to check and clear potential conflicts of interest, as well as to determine all “connections” (as such term is used in Bankruptcy Rule 2014) to the Debtors, Reed Smith researches its computer client database, to determine whether Reed Smith has any relationships with entities identified as interested in a chapter 11 case, including the Debtors, the names on a creditor matrix, other parties-in-interest, their respective attorneys and accountants (if known), the U.S. Trustee, or any person employed in the Office of the United States Trustee, and the Judges for the United States Bankruptcy Court for the relevant district; to the extent that Reed Smith’s research of its relationships indicates that Reed Smith has represented in the past two years, or currently represents, any of the entities in matters unrelated to the chapter 11 case, the identities of these entities and such entities’ relationship to the debtor and connection to Reed Smith, are identified.

15. Pursuant to Federal Rule of Bankruptcy Procedure 2014(a), I obtained a list of interested parties (the “Interested Parties List”) from counsel to the Debtors, which includes the Debtors, their creditors, other parties in interest, and certain professionals employed in these Chapter 11 Cases (the “Interested Parties”) and undertook a search for any connections between the Firm and the Interested Parties. In addition to the disclosures set forth herein, the Firm’s review

of such Interested Parties identified the connections set forth on **Schedule 1** appended hereto, including current and prior representations.

16. Reed Smith has in the past represented, currently represents, and likely in the future will represent, certain parties-in-interest in these Chapter 11 Cases. Except with respect to the Firm's representation of the Other Clients as described above, such representations are only in connection with matters wholly unrelated to the Debtors, these Chapter 11 Cases, and such entities' claims against or interests in the Debtors.

17. Except with respect to the Firm's representation of the Other Clients as described above, the Firm does not perform services for any of the Interested Parties that relate to the Debtors or these Chapter 11 Cases, or have any relationship with any such person, their attorneys or their accountants that would be adverse to the Debtors or their estates.

18. In light of the foregoing, I believe that the Firm does not hold or represent any interest materially adverse to the PSP Debtors, their estates, creditors, or equity interest holders, as identified to the Firm, with respect to the matter in which the Firm will be engaged.

19. In the past year, the Firm has been paid \$694,477.50 by the PSP Debtors in respect of services rendered to the PSP Debtors. In addition, the Firm has rendered services that have not yet been billed or that have been billed but with respect to which payment has not yet been received. The Firm is currently owed \$55,606.00 on account of prepetition services.

20. I also understand the limitations on compensation and reimbursement of expenses under the OCP Order. Specifically, the Firm understands that in the event its fees and expenses exceed a total of \$50,000 per month, on average, over a rolling three-month period, the Firm will be required to file with the Court a fee application for approval of its fees and expenses for such month in accordance with Bankruptcy Code sections 330, 331, and section 504(b) of the

Bankruptcy Code and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), and any applicable procedures or orders of the Court.

21. Except as set forth herein, no promises have been received by the Firm or any partner, associate, or other professional thereof as to compensation in connection with these Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and orders of the Court.

22. The Firm further states that it has not shared, nor agreed to share any compensation received in connection with these Chapter 11 Cases with another party or person, other than as permitted by the Bankruptcy Rules.

23. The foregoing constitutes the statement of the Firm pursuant to sections 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016(b).

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

December 30, 2024

Respectfully submitted,

REED SMITH LLP

By: /s/ James L. Rockney
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SCHEDULE 1

Reed Smith LLP has provided within the past two years or is currently providing services to, or has other relationships with, the following Interested Parties in matters unrelated to these Chapter 11 Cases; provided, however, the Firm's representations of STORE Master Funding IV, LLC, Edgewood Properties, and Ollie's Bargain Outlets relate to Chapter 11 Cases for Debtors other than the PSP Debtors.

Ashley Furniture
B. Riley Securities Inc.
Davis Polk & Wardwell
Deloitte & Touche
Edgewood Properties
Engie Resources
Ernst & Young
Flexport
Foley & Lardner LLP
GE Appliances
GE General Electric-Haier US Appliance
GLL BVK Properties LP
Google
Grant Thornton
Hill's Pet Nutrition
Jacob Jones
JMK5
JPMorgan Chase Bank NA
Lowes Companies Inc
Marathon Management LLC
Menard
Meta Platforms
Nestle Purina Petcare Company
ODP Business Solutions LLC
Ollie's Bargain Outlets
Optimum Nutrition
Origin
Pet Supplies "Plus" LLC
PSP Franchising LLC
PSP Stores LLC
Realty Income Corporation
Shopping Center LLC
Spectrum Brands Pet LLC
Stella & Chewy
STORE Master Funding IV, LLC
Transform Holdco
Uber Freight
UnitedHealthcare

UPS Ocean Freight
Whirlpool
White & Case
Wilkie Farr & Gallagher